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THE SHORTAGE IN THE SUPPLY OF MONEY

BY PROFESSOR GUSTAV CASSEL

"It seems in the first place to be a common interest for the world *to prevent gold from rising again in value.*

The present low value of gold is mainly the consequence of a relatively diminished demand for gold for monetary purposes. The actual circulation of gold is very generally abandoned, and the great central banks have reduced their claims on relative gold-coverings considerably. Should a return to pre-war conditions in this respect set in, the inevitable consequence would be an enhancement of the value of gold. To avoid this, it is necessary that all countries should abstain from measures for reintroducing an actual gold-circulation and content themselves with their present standard of gold holdings as basis for their paper-circulation.

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The danger of a quite insufficient supply of gold is much more imminent than seems to be generally recognized. — — — — — It will, therefore, probably be necessary not only now to prevent the monetary demand for gold from resuming its old dimensions, but also to regulate henceforth this demand with a view to reducing it gradually, as the growing scarcity of the supply of gold may require."

These were the words with which I indicated the main elements of the gold problem, in the Memorandum which I submitted to the international Financial Conference at Brussels in 1920. These considerations still retain their full weight. And, to gain a correct insight into the special difficulties with which we are confronted in the present economic situation, an analysis of the part played by the above-mentioned factors in the movement of the general level of prices seems to be indispensable.

Let us take the years 1913 and 1928 as a basis of comparison. According to estimates made by the Secretariat of the League of Nations, the progress of the world economy, measured by the production of food-stuffs and raw materials, during this period may be put at 25 per cent. This figure is, of course, abnormally low. A normal increase of production by 3 per cent a year would have involved an increase of the total production by nearly 56 per cent. That the increase was limited to 25 per cent signifies in fact that half of this period was, so to speak, wasted so far as concerns development. In other words, the world lost by the war seven and a half years of its normal progress. Still it is possible that a calculation of the rate of progress on a larger basis would give a somewhat more favourable result.

During this period the entire monetary gold stock of the world increased from 8,560 to 10,747 million dollars, thus approximately by 25 per cent. The increase in the monetary gold stock of the world has thus just sufficed to cover the retarded economic progress, and would have been quite inadequate had the progress been normal. But, in view of the retardation in the rate of economic progress, the general level of commodity prices — so far as we are concerned with the supply of gold for monetary purposes — might have been maintained unchanged. In other words, the index number for 1928, like that for 1913, might have been put at 100.

That the level of prices actually rose far beyond this level is due to the two above-indicated factors. In entering into a detailed study of these factors we may take as a basis the statistical material collected by the Gold Delegation of the League of Nations.[1] In 1913, according to this source, the total amount of gold in circulation was 3,638 million dollars. In 1928 this amount of circulating gold had been re-

[1] Interim Report of the Gold Delegation, Geneva 1930.

duced to 755 million dollars. It may thus be estimated that gold to the amount of 2,883 million dollars, which was still circulating at the beginning of the period, had flowed into the vaults of the central banks during the course of the period. If we suppose that this absorption of circulating gold by the central banks had been completely carried out by 1913, if, for the sake of simplicity in calculation, we disregard the comparatively small amount of 755 million dollars in gold which, according to somewhat uncertain figures, remained in circulation, and if we assume that the central banks had maintained their normal demands for gold cover for their engagements at sight, the world supply of money would have increased by 23.7 %. This in itself would have entailed a rise of the index for the general level of prices to 123.7.

In point of fact, however, the average gold cover demanded by the central banks for their engagements at sight had been reduced during the period from 48.2 to 40.7 %. This reduction involved a rise in the level of prices by 18.4 %, which corresponds to an index number of 118.4.

If we now reckon out the product of these index numbers, it will be found that the combined effect of the two factors is a rise in the general level of prices from 100 to 146.46. Seeing that, as noted above, the supply of gold for monetary purposes during the period increased only by the amount just necessary to meet the progress made by the world economy, the general level of commodity prices at the end of 1928 should be at about 146.5.

The total supply of money (notes and sight deposits of central banks together with the entire sum by which the monetary stock of gold exceeded the gold reserves of the central banks) increased during this period from 13,846 to 25,326 million dollars. This increase may be represented by an index of 183 for the year 1928, as compared with 1913. If we divide this index by the number 125, which represents the economic progress made during the same period, we obtain an index number of 146.4, which is thus an index of the rise of prices which should have occurred on the ground of the abundant supply of money. This result, as we see, tallies with that obtained from the preceding, very approximate, calculation. Moreover it closely agrees with the actual index number for commodity prices for December 1928. This statement is applicable especially to the United States, where the index number (according to Professor Fisher) was 147. At this time, therefore, the purchasing power of the dollar must, practically speaking, have been entirely determined by the monetary factors to which we have alluded. The index numbers for Sweden, Switzerland and Holland were 145, 144 and 148 respectively, thus representing approximately the same price level as in the United States. The price level in Germany and Gt. Britain was somewhat lower, the index numbers being 140 and 138 respectively.

Though our figures are, obviously, somewhat uncertain, the striking correspondence between the calculations and the actual facts seems nevertheless to indicate firstly that the level of prices at the end of 1928 was determined by the relation between the supply of money and the progress made by the world production since 1913, and secondly that the rise of prices is due to two main factors, namely the absorption of the circulating gold by the central banks, and the reduced demands of the central banks for gold cover. The first-mentioned of these factors, as we have noted, was responsible for a rise of prices of approximately 23.7 %, the latter for a rise of prices of approximately 18.4 %. Though these figures may possibly require some little adjustment, they give, in concrete form, a fairly correct idea of the important part played by the two above-mentioned factors in the movement of prices since 1913.

The advantage of attacking the problem in this way is that it brings into clear relief the relation between the movement of prices and the monetary changes. Once the fact that the higher level of prices after the war is due solely to the more abundant supply of money has been grasped in its full significance, we can scarcely fail to see that any shrinkage in this price level must be due to a shortage in the supply of money, and can be obviated by maintaining an adequate supply of money, and in that way only. This

at once disposes of any attempts to explain the fall of prices without regard to the monetary factors.

The maintenance of the level of prices which resulted from the development alluded to above, and which had evidently acquired considerable stability, would manifestly have been in the interest of the world. Thus, the programme for the world's monetary policy would invariably have been: Firstly to induce all countries to refrain from putting gold coin back into circulation. Secondly step by step to reduce the demands of the central banks for gold cover, so far as this may be necessary in order to counterbalance an increasing shortage of gold. The first-mentioned of these aims have been carried out in essentials, and this no doubt has been most beneficial for the world. Those numerous persons who oppose the policy of economizing gold and try to minimize its importance have certainly no notion of what the state of the world would have been at present had not this item in the programme been carried into effect. Just think if England in 1925 had reverted to a monetary system with circulating gold coin, and had been unable to prevent India — as was only too probable — from following her example!

The other item in the programme has not been effectuated at all since 1928. The central banks have not supplied the world with means of payment to the extent required in view of the rapid development of production, and the consequence has been a heavy fall of prices. It should be borne in mind that the economic progress of the world during the period 1913 to 1928 proceeded on an average only at half pace, and that the demand for money was correspondingly reduced. Since 1925, however, economic progress has resumed its normal pace, and indeed has probably shown a tendency to exceed 3 per cent per annum.

During the years 1925 to 1928 inclusive the credit policy of the banks seems to have been just liberal enough to enable the supply of money in the world to keep up tolerably with the rapid development. In the middle of 1929, however, this policy was discontinued. A marked tightening of the supply of money set in, the result being a precipitate fall in the general level of prices. This tightening is ultimately due to the increasing shortage of gold, which had already existed for several years, but which did not make itself felt in the supply of money till the middle of 1929. This is in fact what regularly happens when the supply of gold is scanty. At such periods the central banks — provided that the economic conditions are otherwise favourable —, can for a time maintain a sufficient supply of money to prevent a fall in the level of prices. But the moment comes when the supply of money according to the prevalent ideas seems to be too small in proportion to the stock of gold. Restrictive measures are then taken by the banks, and the world is exposed all of a sudden to the whole decline in prices which corresponds to the accumulated shortage of gold. Indeed the banks may easily carry their restrictive action too far, so that the fall in the level of prices is greater than is actually warranted by the shortage in the supply of gold. In that case one may expect a brief spell of rising prices pending the return swing of the movement above described.

We cannot escape from this intermittent tightening of the supply of money, with the alarming disturbances in the world economy which follow in its train, unless we realize that the ultimate cause of this entire movement is an increasing shortage of gold, and unless we are determined systematically to counterbalance this shortage by reducing step by step the demands for gold cover which should be considered as normal.

The considerations set forth above are of fundamental importance for our whole economic future. Evidently the increase in the gold holdings of the central banks cannot in the long run keep pace with normal economic progress. The total gold output of the world at present, according to my own estimate, is only about 2 per cent of the total accumulated stock of gold, and thus is not more than two-thirds of what it should be in order to meet the rapidly increasing production of goods. Everything points to a further and progressively increasing shortage to be expected in the gold supply of the world.

It seems at first sight conceivable that an increasing share of the gold annually produced

might go to the central banks, so that their gold reserves could be augmented to the extent required by the progress of the world economy. But, so far as can be seen, there is not the slightest prospect of this. It has indeed been suggested from various quarters — even by people who might have been expected to have shown a deeper insight into financial questions —, that it might be possible by legislative measures to limit the demand for gold for luxuries and in general for non-monetary purposes. Quite apart from the fact that it would be most difficult to reach a general international agreement with regard to such legislation and to make it anything like effective, the whole proposal would have to be discarded so soon as people realized that the gold standard would thereby be deprived of any real significance. The reason why gold has been made the basis for the determination of the value of everything else is, of course, that gold has always been in special request, and as a commodity has been in steady demand among all peoples and at all times.

If this demand could be eliminated by legislation, the very foundation for the general confidence in gold as a measure of value would, of course, have been shattered. It is difficult to see that the maintenance of a gold standard would then have any significance whatever. The gold reserves of the central banks would be quite a fictitious asset, and yet the supply of money in the world would have to be regulated more or less in conformity with that asset.

It is inconceivable that such a preposterous system could be carried out in practice. If gold is to be a standard of values, it must have a value in itself as a commodity. Rather than exclude this use of gold or endeavour in any way to regulate it by arbitrary measures of legislation, it would be better to dissolve entirely the relation between gold and the monetary system of the world and regulate the amount of money in circulation solely with a view to supplying the requirements of a developing world economy to such an extent that the general level of commodity prices could be maintained unchanged.

In order to meet the demand for money which is continuously increasing in correspondence with the development of the world economy, the only expedient left, if the gold standard is to be retained, is that above indicated, namely to reduce as far as necessary the demands of the central banks for gold holdings. Such a programme can be carried out in practice because these demands are in the main purely conventional. Empirically speaking, there is no reason whatever why the gold-reserves now held should be considered necessary. On the contrary, experience shows that the greater part of these reserves are never used, in any circumstances, for any monetary purpose whatever. The programme for the economy of gold will be really effective only if all the central banks, or at any rate the leading ones, in the first place fully recognize the necessity of the programme, and in the second place are prepared actually to carry it out in cooperation with one another. The world, however, has not yet reached this point, despite ten years' efforts directed towards the economy of gold.

It is a very widespread notion that the recent fall of prices was not due to any particular shortage in the supply of money, but to an unduly abundant production of goods. In fact people actually contend that the production of goods during the years preceding the crisis had, absolutely speaking, proceeded far too rapidly and that a set-back was inevitable. There is no foundation for such fatalistic views. They are merely a fallacious generalisation of private economic reflections on the results of the production of some special commodity being increased too rapidly. To transfer such reflections to the economy of the world is unwarrantable. If human requirements of various kinds are only provided for in proper proportion, a too rapid development of the world economy as a whole is impossible, and a law laid down by the unscrutable dispensation of Providence that a rapid development must be followed by a reaction does not exist at all. The world must, therefore, always strive to attain the greatest development that its productive forces will allow. All well-meaning advice to the effect that in good times people ought to subject themselves to volontary

restrictions in regard to the pace of the total progress may, therefore, be quietly set aside. All that is required is that producers in each particular branch shall take care not to produce more than what corresponds to the increased demand which can be reasonably expected for their branch.

But what is happening at present is that the world possesses all the essentials for rapid economic progress, but that its supply of money is unable to cope with this development. The result is that the prices of commodities are bound to sink. The fault obviously lies with the inadequate supply of money and not with the rapid economic development. It is unreasonable to put a brake on the progress of the entire world economy simply because we cannot produce a corresponding supply of money. As a matter of fact there is not the slightest doubt that, even if the gold standard is retained, the supply of money could be increased so as to cover requirements, at any rate for a considerable time ahead. When this is not being done, some error is being committed, and this error is *entirely* to blame for the fall of prices which is setting in, and for the restrictions of the production of goods which inevitably follows a fall of prices. Let us hear no more talk about overproduction being a "contributing factor", which has a share in this unhappy state of things. So long as there exists any possibility of controlling the other factor, namely the supply of money, the *whole* responsibility for a shortage in this supply lies *solely* there. All that is now being written to the contrary in different parts of the world merely serves to obscure the real issue, and tends to postpone to a hopelessly remote future the time when the world supply of money can be placed under rational regulation.

COMMERCIAL POLICY AT THE END OF 1930

BY CHRISTIAN GÜNTHER, HEAD OF THE COMMERCIAL DEPARTMENT OF THE SWEDISH MINISTRY FOR FOREIGN AFFAIRS

From the point of view of commercial policy the year 1930 passed in the spirit of continued protectionism. But as yet there has been no decisive turn in the direction of *increased* protectionism. At the beginning of the year the question was the following. Will it be possible by international cooperation, under the auspices of the League of Nations, to bring about a general tariff truce followed up by tariff conventions which should finally effectuate the recommendation of the Economic World Conference to stop raising customs barriers and to begin lowering them instead? Or will these endeavours fail, in which case will England and other free trade countries introduce protective duties and free trade be entirely abandoned, at any rate for some time ahead? At the end of the year we have not yet received a definite reply to these questions. But probably we shall not have to wait long, and even now the situation is a good deal clearer than a year ago. This is due chiefly to the two economic conferences which took place in the autumn, the Second Conference for Economic Cooperation at Geneva and the British Imperial Conference in London.

The conference at Geneva was a direct continuation of the Tariff Truce Conference in February 1930. The object of the latter was to bring about a general agreement to stop any further increases in customs duties for some time ahead, whereupon this period of truce was to be used for the much more difficult undertaking of bringing about general agreements for reductions of customs duties. The Conference did not succeed in achieving its object, but nevertheless attained something. Practically all the European States signed a Commercial Convention, according to which no commercial treaties might be denounced for a certain time. This prevented the raising of any duties conventionalized in commercial treaties. In regard to other duties it was provided that those States which had no tariff treaties should not be permitted to raise their protective duties at all, and that other States might do so only subject to the observation of a certain procedure, consisting in the advance notification of any plans for the raising of duties and the taking up of negotiations with States which so demanded. This may be called a half or a quarter of a tariff truce. It did not, however, enter into force immediately. It was in fact decided that the Commercial Convention should be ratified before the 1st November, and that afterwards at a new conference it should be settled whether and under what conditions it should take effect.

On this insecure foundation plans were now drawn up for the conventions regarding general reductions in customs duties which had originally been considered possible only after the conclusion of the tariff truce. The British Government submitted a proposal to the effect that all States should simultaneously, and in accordance with certain uniform principles, reduce their duties on particular classes of goods, to begin with, machines and textiles, subsequently also other goods. The Secretariat of the League of Nations drafted another plan, which was afterwards submitted by Holland and other countries, to the effect that an agreement should be concluded between States with a liberal customs policy, — among which were reckoned England, Holland and the Scandinavian countries —, on the one hand, and a number of more protectionist countries in Europe, on the other hand. The former were to engage not to raise their customs barriers, in return for the latter lowering some of their duties. And finally the agrarian countries in Eastern Europe, after drawing up jointly an extensive programme for the settle-

ment of the agrarian questions important to them, demanded preference duties for their agricultural produce in industrial countries, which in that case were expected to demand reductions in industrial duties as a compensation.

These proposals, together with the fundamental question of bringing the Commercial Convention into operation, were the principle items on the programme for the Geneva Conference in November. Even before its opening, however, the conference received a hard blow. The only countries that had ratified the Commercial Convention in time, that is before the 1st November, were Gt. Britain, Belgium, Switzerland, Latvia, the Scandinavian countries and Finland. Italy subsequently joined, but the other leading Powers on the Continent and all the States of Eastern Europe had refused to ratify even a tariff truce which committed them to little.

In these circumstances the Conference had to begin with the question whether the eight States which had ratified the Commercial Convention were prepared to bring it immediately into force among themselves. This question was unanimously answered in the negative. The President might then just as well have brought his mallet down on the table and declared the conference dissolved. But people preferred to "postpone the burial" as an English paper put it. The time allowed for ratification was extended to the 25th January 1931, after which the conference is to meet again to decide whether the Commercial Convention is to be put into force. The prospects of greater success then may be regarded as very small.

It is obvious that, when the very foundation for the more far-reaching proposals regarding tariff conventions had thus been sapped, those proposals could not be realized either. The British plan for general reductions of customs duties on certain classes of goods was disposed of as being impracticable. The Dutch proposal for a collective agreement between free-trade and protectionist countries was rejected without more ado by the latter. And that a couple of countries declared themselves willing to conclude individual tariff treaties with Gt. Britain and Holland was really nothing new, even if the Conference hastened to note this declaration "with satisfaction". The proposal for an agreement regarding preference duties for European cereals was likewise rejected more or less vigourously in all quarters. Thus negative results all along the line.

These negative results of the Conference are, however, not without value. They may be considered to have shown that the endeavours which have been made during the past two years to improve international commercial relations have followed a path which under present conditions leads nowhere. It is not possible to bring about general agreements regarding reductions in customs duties. Economic cooperation in Geneva must now take a new course and be directed to matters which fall outside the sphere of customs duties proper. There are quite a number of questions of great practical importance, such as the interpretation of the most-favoured-nation clause, veterinary conventions, dumping, certificates of origin, indirect protectionism in various forms etc., many of which seem to be well suited for settlement through international agreement. Thus there is no lack of work, even if customs duties must for the present be shelved. And perhaps it will not be impossible to attain practical results now that the nations are free to concentrate on these questions.

This change of course, however, involves desisting from one of the principal aims of the attempts at cooperation which have been made in the last few years, namely to bind England by a general convention to adhere to her free trade policy. This question of free trade or protectionism in England, which owing to its repercussion on the commercial policy of all other countries, is of universal importance, will now be settled solely within the British Empire, as the Continental Powers have shown themselves unwilling to make any sacrifices to have it settled in a manner satisfactory to themselves. It is therefore of great interest to follow the inter-imperial negotiations on this question, which was pushed a good step forward at the recently terminated Imperial Conference.

The question of free trade or protectionism

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was brought up at the Imperial Conference in connection with the old controversy on imperial preference. Imperial preference signifies that the different parts of the Empire have a lower tariff in relation to one another than in relation to outside countries. Now the Dominions and India are very protectionist, whereas Gt. Britain has extremely few customs duties. The result is that England by this system enjoys preference with the Dominions, whilst the latter are, broadly speaking, treated like all other countries in England. The Dominions now demand that tariff preference should be extended and made reciprocal. That is they should retain their rates of customs duty in relation to England and raise them as against foreign countries, and that England should introduce duties against outside countries in order to give the Dominions a more privileged position than the latter. The demand for preference duties, which was made by the Dominions in a very sharp form, thus involved for England a demand for the introduction of customs duties not only on industrial goods but also on foodstuffs and certain raw products, that is, on the principal exports from the Dominions.

Confronted with these demands, the political parties in England were compelled to show their hand in regard to their attitude to the customs question. And it was found that the tendency to adopt protectionism which had been noticeable for some time past in many quarters in Gt. Britain, had taken deep root. Only the small Liberal Party adheres without faltering to its traditional free-trade principles. The leaders of the Labour party, that is, the Government, are opposed to customs duties, but are not disinclined for indirect protectionism in the form of milling regulations and State purchases of consignments of goods from the Dominions. And a section of the party, headed by Mr Mosley, is clearly protectionist. The same remark applies to the Conservative party as a whole. Baldwin has announced that, as soon as the Conservative party comes to power, it will introduce a customs tariff for the protection of industries. The party moreover supports the proposal for extended imperial preference and is prepared to discuss all methods, inclusive of customs duties on foodstuffs.

The Dominions insisted on receiving at the London conference itself a reply from England to their demands on the tariff question. The Government, however, evaded the question, and it was decided that the conference should be continued next year at Ottawa. It is possible that the definitive decision with regard to England's customs policy will be taken there. But it is at any rate clear that the nature of this decision will largely depend on whether the Conservative or the Labour Government are in power.

Thus on this question also the situation has become clearer in the course of the year. Though the other countries of Europe have deprived themselves of any influence on the final decision, they are awaiting the issue in suspense in view of the effects which England's adoption of protectionism are likely to entail throughout the world. It may be hoped that also the British voter realizes that the introduction of a customs tariff in England would in all probability entail a general raising of customs duties in other countries, especially, of course, on England's principal export goods. If there is some justification for the statement that England has nothing to gain by applying the old theories of free trade in almost complete isolation, it is not so very certain that she will lose nothing by abandoning them. It is easy to understand that the British nation have long hesitated and appear to be still hesitating to take the plunge.

THE ELECTRIFICATION OF SWEDEN

BY G. MALM, DIRECTOR-GENERAL OF THE WATERFALLS ADMINISTRATION

One of the principal factors in the magnificent industrial development of Sweden during the present century is the abundant supply of water power. With the exception of Norway, no other country in Europe is more favoured in this regard. The water power in Sweden which can be practically utilized and is available all the year round is estimated at about 9 million h. p.

In Sweden water power has been employed in the service of man for centuries. But it was the development of the transmission of power by electricity that first revealed the immense importance of water power for the country. In the eighteen-nineties electric power plants were established locally in different parts of the country. But it was not till the period from 1905 to 1910 that the big central power plants, such as Trollhättan, Gullspång, Lagan etc., were erected. Whereas in 1900 the installed water power in Sweden totalled 250,000 turbine h. p., the corresponding figure in 1929 was no less than 1,600,000 turbine h. p., or about 18 per cent of the natural resources.

Proceeding from the central power plants, the power lines were then extended over increasingly larger areas and the net work of power lines became tighter and tighter. This development was particularly rapid after the war, chiefly owing to the electrification of the countryside.

In 1929 the total output of electric power in Sweden amounted to about 4.85 milliard kilowatt hours, which is equivalent to about 800 kilowatt hours per head and year. In Europe this figure is surpassed only by Norway and Switzerland. Roughly 96 per cent of the total output of electric power is derived from water power stations, the remaining 4 per cent from steam power stations. In Sweden the latter are as a rule employed merely to eke out the water power at peak loads and as reserves in the event of low water, whence they are usually in operation only for quite short seasons.

In Sweden fairly satisfactory natural reservoirs for the equalization of the water supply are as a rule provided by the watercourses themselves. Considerable improvements can moreover be effected by regulating the water supply by means of water storage in lakes, for which as a rule natural conditions are favourable. Several enterprises of this character, some of them on a very considerable scale, have already been executed. The regulation of the water discharge from the Lake Väner above the Göta älv is now being planned. This is a very extensive enterprise, which will considerably increase the output of power for State requirements in central Sweden and Lower Norrland.

The following figures show the consumption of water power for various uses in 1929: —

Timber, paper and pulp industries	about	40 %
Iron industry and mining	»	13 %
Mechanical, textile and miscellaneous industries	»	6 %
Electro-thermical and electro-chemical industries	»	23 %
Public consumption in towns and large urban communities, inclusive of small industries and crafts	»	7 %
Countryside	»	5 %
Electrified railways and tramways	»	6 %

The above figures, which show that the big consumers are the large industries, strikingly illustrate the importance of water power for the industrial development of the country. The consumption of power for public purposes in towns and urban communities represents merely

a minor proportion of the total. The percentage for the electrification of the countryside is likewise quite small. It should be borne in mind, however, that these low percentages are not indicative of the inadequate electrification of houses and farms, but are due to the immense consumption of power by the big industries. Indeed it may be said that in Sweden electric power is consumed for public requirements on a comparatively large scale.

In fact electric power is beginning to be regarded as one of the necessaries of life even in the depths of the country. The electrification of homes is now being carried on with great intensity, and many electricity works in the towns regard this as one of their principal functions. Nowadays they no longer confine themselves to electric lighting and the electrification of various small apparatuses for household requirements: they are also endeavouring to introduce the use of electricity on a large scale for the heating of kitchen stoves. In places where the tariffs for the supply of electric current have been suitably altered and based on low unit charges, and where the price of the apparatus has been appreciably lowered, the use of electric stoves has been found to entail a saving in household expenditure.

The electrification of the *countryside* began in earnest during the great war, being stimulated by the shortage of kerosin and motor oil. Owing to the feverish rush when these electrification schemes were started, and especially in consequence of the over-capitalization due to the depreciated value of money in these years, several of the companies formed for the electrification of the countryside were at first on a rickety financial basis. Afterwards, however, they were placed on a more stable footing, partly by the amortization of the surplus capital, partly owing to the increasing use of electric power for new purposes.

In the long run electric power will doubtless prove to be one of the greatest utilities in the service of agriculture. About 45 per cent of the cultivated area of Sweden is now provided with electric power. It is used not merely for the illumination of dwelling-houses and service premises but also, on an increasing scale, for the driving of motors. At present the normal consumption of electric current on a farm amounts, on an average, to from 50 to 60 kilowatt hours per hectare of cultivated soil.

Electric power is moreover employed in Sweden for *the driving of railways*. The State Railway Administration, encouraged by the success of the electrification of the lines from Luleå to Riksgränsen and from Stockholm to Gothenburg, are planning the electrification of the Southern trunk line and of certain branch lines connecting it with the Western trunk line. After these extensions the principal State railway lines will be independent of imported fuel. Other advantages entailed by the electrification of railways, in accordance with the system adopted in Sweden, are increased profits, greater capacity of traffic and a very considerable gain in speed.

The large scale on which water power has been utilized in Sweden has, of course, affected the importation of fuel and thus also Sweden's balance of trade. The results are illustrated by the following figures: —

	Steam coal in mill. tons	Fuel oil in thousand tons	Illuminating oil in thousand tons
Average for the years 1910—1914	3.7	10.8	109.1
» » » » 1925—1928	3.4	79.5	63.9

Attention should be drawn to the stagnation in the importation of steam coal despite the immensely increased use of machinery and its extension to almost all departments of life. The figures show a striking decrease in the importation of illuminating oils. The large increase in the importation of fuel oils is doubtless chiefly due to the immense development of motor traffic etc.

It should be noted in this connection that the possibility of utilizing the water power resources of the country is greatly dependent on the costs of installation. In calculating the costs of water power plants paramount importance is attached to the rapidity with which the capital invested in the installation can be paid off, and the prospect of a fair return on that capital. Now by far the biggest item in the initial expenditure on

construction is the wage bill. Unduly high expenditure on construction may therefore prevent the utilization of water power by making it impossible to compete with the producers of power derived from imported fuel. Thus in the production of power there is some relation between the scale of wages and the price of certain commodities (coal etc.) on the international market. Should the builders employed on the installation of Swedish waterfalls go to such lengths in regard to demands for high wages as, for example, the bricklayers in Stockholm, the production of power from Swedish waterfalls might be quite paralyzed. Fortunately they have hitherto had the sense to refrain from such preposterous demands.

When water power was first used in Sweden for electrification purposes, municipalities and industrial companies erected power plants merely for their own requirements. After a time, however, the production of water power began to be carried out as an independent undertaking both by the State and by private companies. The combination of State and private enterprise which thus arose is known as "the Swedish system". Its characteristic feature is considered to be that the interaction of the various interests concerned tends to produce a salutary adjustment of the charges for the supply of power. During the first few years the competition between the various interests was sometimes rather severe. But in course of time, it having been found that there was room enough for all, the field of operations was, so to speak, parcelled out among the various power producers. And the present tendency is towards further cooperation within the limits set by existing conditions.

The biggest power producer is the State. By connecting together its water power plants on the Götaälv, Motalaström and the Dalälven and its big steam plant at Västerås, it has created an immense aggregate of power (the so-called "central block") in the heart of Sweden. The State moreover owns two main systems of power lines in the north part of Sweden. In 1929 the aggregate output of power from all the State power lines was 1,690 million kilowatt hours, or about 35 per cent of the entire amount of power produced in the whole of Sweden.

In the southernmost part of the country Sydsvenska Kraft AB., in which certain municipalities are the principal shareholders, holds a dominant position, its annual output for 1929 amounting to about 334 million kilowatt hours.

The City of Stockholm, which produces its own power, has an annual output of 236 million kilowatt hours.

The largest private producers of power in Sweden are the big industrial companies, namely

Stora Kopparbergs
Bergslags AB with an annual ouput of 340 million kw.h., and
Uddeholms AB » » » » » 183.7 » »

The principal producers of water power solely are:

Kraftaktiebolaget Gullspång-Munkfors
with an annual output of 68.3 mill. kw.h.,

Yngeredsfors Kraftaktiebolag
with an annual output of 40.8 » » and

Hammarforsens Kraftaktiebolag
with an annual output of 30.0 »

All the above figures are for 1929.

As is commonly known, the supply of water power is very unevenly distributed in Sweden. The most abundant supply of natural water power is to be found in Norrland (the whole of the north part of Sweden), whereas the southern part of the country is by no means so well provided for in this respect. But, as the density of the population is much greater in the south of Sweden, the demand for power is correspondingly greater there than in the north.

The proportional distribution of the water power resources in the different parts of the country is as shown below: —

Upper Norrland	45 %
Lower Norrland and Dalarna	55 %
The rest of Sweden	19 %

It is only natural that the water power in the more densely populated southern part of the country should have been exploited first. In spite of a relative stagnation in consumption during the present slump, all the utilizable water power there will soon have been developed. We shall then be confronted with the necessity of

conducting electric power from the north of Sweden southwards in order to meet the continuously increasing demand.

The Waterfalls Administration, in order to cope with the demand for power which may arise within those areas where it answers for electrification, has betimes acquired a very abundant supply of natural water power in Lower Norrland. It has moreover at its disposal the water power resources in Upper Norrland which have been State property since time immemorial. The Waterfalls Administration is contemplating the eventual erection of power lines for the conduction of power from Norrland southwards, at the same time connecting its northern system of power lines with "the central block". The State, however, has not a monopoly of such schemes. The so-called Krångede Company, formed by interested parties in the mining district (consisting chiefly of the present subscribers of the Waterfalls Administration) and the City of Stockholm, has acquired the very large Krångede falls in the Indalsälven and intends within the near future to develop them and conduct power down to central Sweden.

Both these enterprises require the investment of very considerable amounts of capital. The parties should therefore endeavour to work the new links into the entire existing system for the supply of power in such a way that the greatest benefit may accrue to the country at large. This is for the present one of the most burning questions in regard to the supply of power in Sweden.

This brief account, however inadequate, will it is hoped, serve to give some idea of the present importance of water power in Sweden. This generation has lived in an epoch when the development of engineering science has imparted to water power a value formerly undreamt of. On the foundation thus laid we must build further for the benefit of Sweden of the future. In this work we must endeavour to perfect our technique, both in regard to machine equipment and the designing and construction of the plant. It is equally important that the organization of water power production should be based on a carefully designed plan, aiming at a completely effective and scientific utilization of Sweden's water power resources.

THE ECONOMIC SITUATION DURING THE FOURTH QUARTER OF 1930

The General Situation. During the first three quarters of the past year it has been possible to call Sweden — in the phraseology of the German Institut für Konjunkturforschung — a *"Konjunkturinsel"* that is, a country with a sheltered position, little affected by the waves of international depression. But, as had been anticipated, the market for certain of the Swedish export industries markedly declined during the autumn, with the result that many factories had to restrict operations. Nor has there been any improvement in the agricultural situation, which had previously given cause for much anxiety. The persistent fall of prices has, of course, made it still more difficult for the farmers and manufacturers to sell their products without loss. Nevertheless the great majority of the home industries and several leading export industries have been comparatively well employed and have not been appreciably affected by the slump. The available statistics in fact indicate that the shrinkage in the volume of trade within the country has hitherto been rather inconsiderable.

The saw-mills, which have long suffered from the notorious Russian dumping, have, in co-operation with the Finnish mills, systematically reduced their output and their exports. For example, according to "Svensk Trävarutidning", Sweden's and Finland's aggregate exports of sawn and planed wood goods and joiner's wood amounted to 1,749,000 standards during the first eleven months of 1930, as compared with 2,215,000 standards during the corresponding period in 1929. The reduction is approximately 20 per cent., and a similar reduction in the shipments for 1931, that is, of at least 20 per cent. on the basis of the exports for 1929, has been resolved upon.

The sulphite pulp mills in Sweden, Finland, Norway, Germany, Memel, Czecho-Slovakia and Austria, representing an annual production of altogether 3 million tons, have decided to reduce their output by 15 per cent., as from the 1st October 1930. Moreover the Swedish, Norwegian and Finnish manufacturers of mechanical pulp, who had previously decided to reduce their output by 33 per cent., have resolved on a further reduction of 5 per cent.

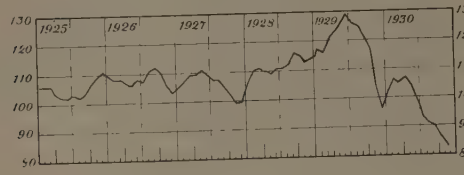
The iron works are likewise working under depressed conditions. During the first eleven months of 1930 the export of iron had been reduced by about 30 per cent. as compared with the corresponding period in the immediately preceding year, and had thus fallen to a lower level than at any time since 1922. The sales on the home market were considerably better. But the figures for production show a reduction in the output of between 15 and 20 per cent. It has moreover been necessary to reduce the mining of iron ore, owing to requests received from the German iron works for postponement of deliveries.

As all the branches of industry above referred to are represented in the production index published by "Svensk Finanstidning", it will be interesting to see how this index has moved latterly. It will be found that the index number for November 1930 (the last calculated) was 121, the figure 100 representing the average for the years 1923 to 1924. In other words, the output was 21 per cent. *larger* than in 1923 and 1924, and moreover larger than in all the intervening years, with the exception of 1929.

Production and Foreign Trade.

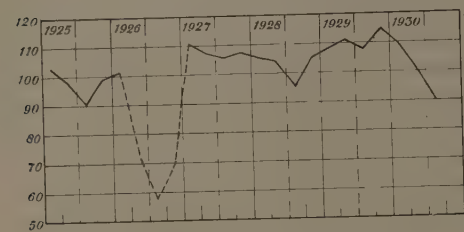
American Index of Production.

(Fed. Res. Board. Average 1923—25 = 100.)



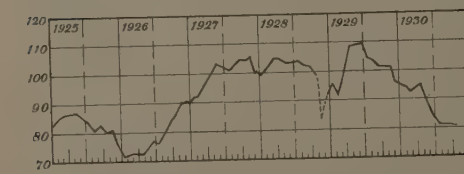
English Index of Production.

(Lond. & Cambr. Econ. Service. Average 1924 = 100.)



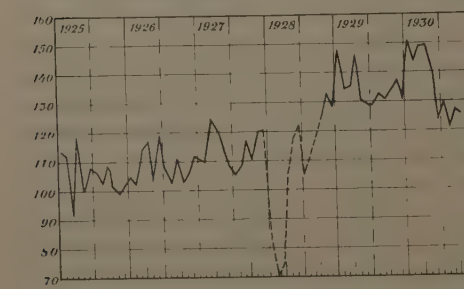
German Index of Production.

(Instit. für Konj.-forsch. Average 1928 = 100.)



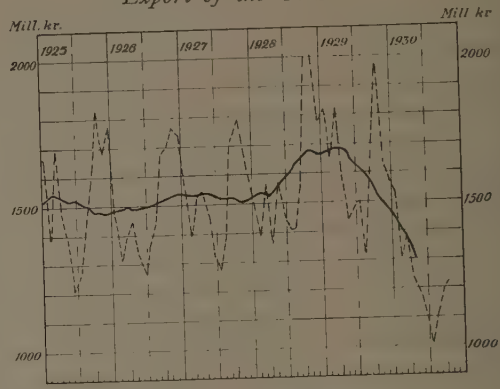
Swedish Index of Production.

("Svensk Finanstidning". Average 1923—24 = 100.)

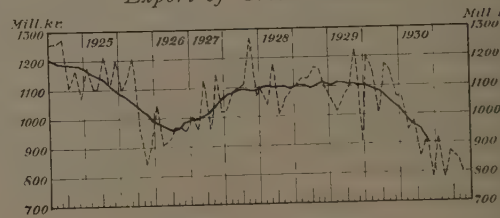


Dotted lines mark that labour conflicts were going on.

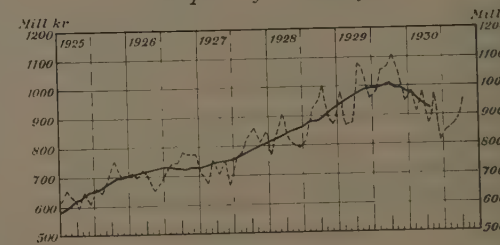
Export of the U. S. A.



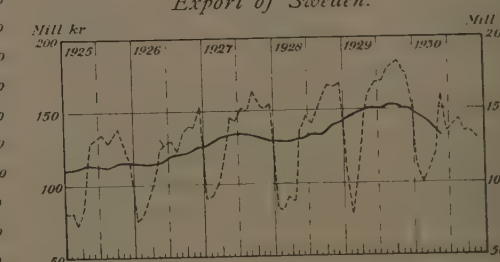
Export of Great Britain.



Export of Germany.



Export of Sweden.



Dotted lines refer to the original figures, solid lines to moving 12 months' averages.

A large group of industries which is not represented in the above-mentioned production index is that composed of the engineering works and shipyards. According to the reports received from the larger establishments in these branches, they have, with very few exceptions, been as well employed as in 1929. The exports from the big exporting works are shown below (in millions of kronor).

	January—November					
	1925	1926	1927	1928	1929	1930
Electric motors, generators, etc.	18.45	24.36	30.41	40.26	29.52	32.27
Internal combustion motors	10.12	11.69	11.97	14.13	16.64	18.38
Separators	25.21	27.16	24.44	23.42	16.63	16.83
Roller and ball bearings	21.33	21.03	24.63	30.04	33.49	29.05
Telephone and telegraph apparatus	6.48	6.56	8.33	12.37	12.66	13.90

Thus, in spite of evident reductions in prices, the export figures, reckoned in value, (with the exception of bearings) were actually higher than in 1929.

That it was chiefly the Swedish export industries that were affected by the general slump is clearly shown by the figures for foreign trade. The imports for the first eleven months of 1930 amounted to 1,522.9 million kronor, as compared with 1,612.1 million kronor during the same period in the preceding year. The reduction is thus only 5.5 per cent., in spite of a still greater reduction in the prices of the imported goods. Hence the imports in 1930 were actually *larger* in quantity than during the preceding year of boom. As regards the exports, on the other hand, the reduction in value was larger, viz. from 1,647.7 million kronor for the first eleven months of 1929 to 1,416.8 million kronor for the same period in 1930. This reduction, which amounts to about 14 per cent., appears, however, to be likewise due, at any rate in a large measure, to the fall of prices.

Owing to the shrinkage of the exports, Sweden's balance of trade for the first eleven months of 1930 showed a change for the worse, as compared with the corresponding period in 1929, by an amount of roughly 140 million kronor. As the balance of payments (exclusive of transfers of capital) for 1929 has been estimated to show a surplus ranging between 200 and 300 million kronor, there is reason to believe that the balance of payments for 1930 will also show a surplus. It is moreover noteworthy that Sweden has been able to pay for her imports without any appreciable encroachment on the banks' holdings of foreign exchange. In fact the sum total of the nett claims of the Swedish banks against foreign banks together with their holdings of foreign bills of exchange and foreign bonds has been maintained at the record level which was reached during the last six months of 1929 (ranging between 500 and 600 million kronor). How extremely strong the position of Sweden is in this respect is indicated by the fact that the foreign exchange reserves and gold stock held by the Riksbank alone together *exceed* the value of the entire note circulation.

The supply of money is still satisfactory. The deposits in the commercial banks at the end of November 1930 had increased by about 140 million kronor as compared with November 1929. This increase is chiefly shown in the time deposit accounts. In fact the bank deposits at present show a larger total than at any time since 1925. As regards bank loans the increase has not been so marked, and the decline in business activity is clearly noticeable in the reduced discounting of bills of exchange.

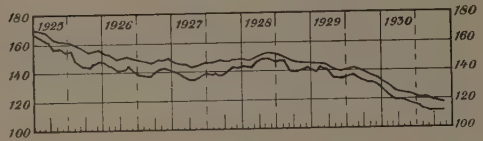
Stock Exchange. We give below our usual index numbers for shares in typical Swedish companies, showing the quotations on the Stockholm Exchange during the last few months.

	Number of companies	1930						
		15/7	15/8	15/9	15/10	15/11	15/12	31/12
Engineering works	5	132	128	120	117	112	115	118
Timber and paper companies	5	176	169	163	159	155	156	154
Combined industries (timber and iron)	2	145	141	137	131	126	131	130
Total above companies	**12**	**151**	**146**	**140**	**136**	**131**	**134**	**134**
Banking companies	4	244	244	242	240	237	243	242

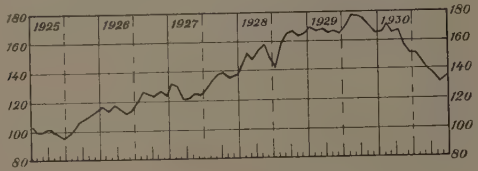
Note. As the method of calculation has been revised, the above figures are not quite commensurable with those previously published.

Price Index of the Board of Trade.

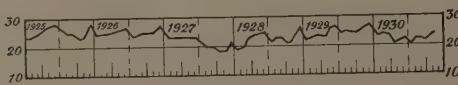
Upper line = all goods.
Lower line = raw products.
(Average 1913 = 100.)



Index Numbers for Shares of 12 typical Swedish Industrial Companies.

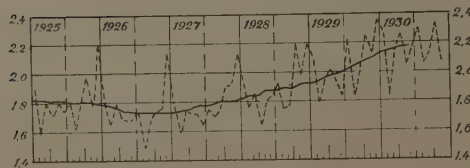


Excess of Loans Granted by the Commercial Banks (incl. rediscounted bills) in % of the Deposits.

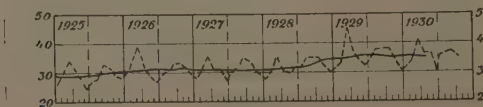


Clearing Turnover of the Riksbank

in milliards of Kr.

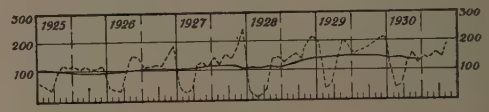


Millions of Axle-Kilometers travelled by Loaded Goods Trucks on the State Railways.



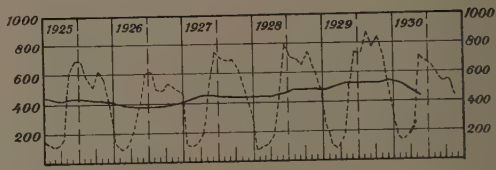
Export of Paper Pulp.

(Estimated air-dry weight in 1,000 tons.)



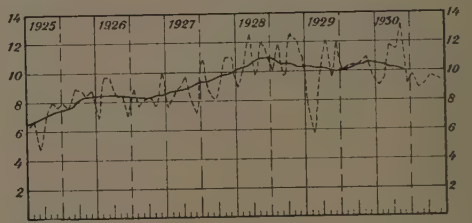
Export of Woodgoods.

(1,000 m³.)



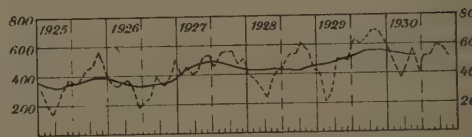
Export of Products of the Engineering Works.

(Mill. kr.)



Import of Coal and Coke.

(1,000 tons.)



In diagrams containing both dotted and solid lines, the former indicate the original figures and the latter the moving 12 months' averages.

The decline of business activity during the autumn and the reductions effected in certain export industries were bound to have a repercussion on the Stock Exchange. In fact down to the middle of November the prices quoted for shares showed on the whole a downward tendency. Since then, however, the quotations have strikingly improved.

The Bond Market. In the last few months of 1930 the issues of bond loans were rather numerous. The comparatively low level of interest afforded a favourable opportunity for the conversion of existing loans, and a good many of the new issues were made in connection with the redemption of previous loans. Thus the bond market has not been supplied with new material to the extent which the figures for the new issues seem to indicate. Towards the end of the year, however, the market has shown tendencies which seem to denote that there is no longer such a shortage of material as had previously existed.

During the past year the Swedish State has redeemed all the 5 % bond loans raised in the years 1914 to 1918 inclusive by replacing them with new 4½ % loans to the amount of approximately 432⅔ million kronor. The annual saving in interest thus effected amounts to about 2¼ million kronor. Some additional conversions of Government loans may be anticipated in the course of the present year, as the State will then be entitled to redeem the 1921 loan of 94 million kronor at 6 % interest, besides which the 1921 premium bond loan of 100 million kronor falls due for payment.

The principal new issues of bond loans were the following:

	Rate of interest in %	Nominal amount in kronor	Issue price in %
Swedish bond loans:			
City of Malmö	4½	9,063,000	100
Södra Vetterns Kraftaktiebolag.	4½	2,315,000	99
(in connection with the redemption of the 6 % loan of 1921 to the same amount)			
Sundsvalls Cellulosa Aktiebolag	5	5,000,000	100
Aktiebolaget Nya Centralbryggeriet	5	1,000,000	sold privately
Aktiebolaget Robertsfors	4½	1,500,000	ditto
The Grängesberg Company	4½	20,000,000	99
Uddeholms Aktiebolag	4½	20,000,000	99½
Billeruds Aktiebolag	5	9,000,000	100
Foreign bond loans:			
City of Copenhagen	4½	30,000,000	96
Issued in Sweden kr. 15,000,000			
Belgian Government	4½	67,500,000	95½
(Issued in Sweden kr. 13,500,000, whereof kr. 10,500,000 were offered for public subscription)			

In addition, the City of Stockholm, in connection with the calling for redemption of its 7 % bond loan of 1921, of which kr. 13,963,000 is outstanding, has offered the bond-holders, under certain conditions, to accept (during the period 1—15 December 1930), in exchange, bonds at 4½ % interest, payable from the 1st March 1931.

The large demand abroad for gilt-edged securities was maintained in October, as was indicated by the marked rise in the prices of those bonds. Afterwards the prices showed a somewhat declining tendency, which, however, did not affect industrial and municipal bonds. These facts are connected with the rather big purchases made at times by foreign investors who are best acquainted with and specially interested in the Government and mortgage bonds.

The table below shows the average yield on various kinds of Swedish bonds in the months July to December 1930:

Bond Loans issued by	Number of loans	July	Aug.	Sept.	Oct.	Nov.	Dec.
Swedish Government	8	4.36	4.32	4.28	4.17	4.20	4.25
Mortgage Banks etc.	7	4.45	4.38	4.33	4.23	4.24	4.32
Municipalities	5	4.50	4.44	4.45	4.41	4.44	4.45
Industrial companies	5	4.97	4.96	4.94	4.92	4.93	4.92
Total Loans	**25**	4.54	4.49	4.46	4.38	4.41	4.45

Note. The figures are for the middle of the month.

Some Statistical Data Concerning

Currency Reserve, Stock of Gold, Note Circulation.

	Net Claims of Banks on Abroad, million kronor (End of month)									The Riksbank's								
	Riksbank			Commercial banks			Total			Stock of Gold (million kr.)			Stock of Gold and Net Claims on Abroad (million kr.)			Note Circulation (million kr.)		
	1928	1929	1930	1928	1929	1930	1928	1929	1930	1928	1929	1930	1928	1929	1930	1928	1929	1930
Jan.	240	198	236	·	277	302	·	475	538	234	236	244	474	434	480	453	469	500
Feb.	216	198	233	271	269	278	487	467	511	233	235	244	449	433	477	453	472	503
March	186	189	261	231	241	260	417	430	521	233	235	244	419	424	505	478	494	530
I (Average)	**214**	**195**	**243**	**251**	**262**	**280**	**452**	**457**	**523**	**233**	**235**	**244**	**447**	**430**	**487**	**461**	**478**	**511**
April	136	185	355	242	277	234	378	462	589	232	235	243	368	420	598	478	486	523
May	111	183	358	243	259	228	354	442	586	232	234	243	343	417	601	467	492	525
June	124	195	389	252	275	152	376	470	541	231	234	243	355	429	632	490	518	551
II (Average)	**124**	**188**	**367**	**246**	**270**	**205**	**369**	**458**	**572**	**232**	**234**	**243**	**355**	**422**	**610**	**478**	**499**	**533**
July	136	207	358	280	284	207	416	491	565	230	234	243	366	441	601	478	500	527
Aug.	122	204	348	304	311	197	426	515	545	230	242	242	352	446	590	482	514	537
Sept.	118	221	397	315	341	181	433	562	578	238	242	242	356	463	639	509	544	562
III (Average)	**125**	**211**	**368**	**300**	**312**	**195**	**425**	**523**	**563**	**233**	**239**	**242**	**358**	**450**	**610**	**490**	**519**	**542**
Oct.	156	232	398	314	327	181	470	559	579	237	241	242	393	473	640	496	529	554
Nov.	178	255	392	302	307	172	480	562	567	237	241	242	415	496	634	503	540	558
Dec.	215	265	400	300	318		515	583		236	245	241	451	510	641	520	540	551
IV (Average)	**183**	**251**	**397**	**305**	**317**		**488**	**568**		**237**	**242**	**242**	**420**	**493**	**638**	**506**	**536**	**554**
Notes	The figures comprise balances with foreign banks and holdings of foreign bills and foreign bonds less amounts due to foreign banks									At end of month.						Monthly averages		

Rates of Exchange.

	The Riksbank's Quotations (Monthly Averages)											
	London Kr. for £ 1			New York Kr. for $ 1			Paris Kr. for 100 francs			Berlin Kr. for 100 Rmk		
	1928	1929	1930	1928	1929	1930	1928	1929	1930	1928	1929	1930
Jan.	18.143	18.142	18.138	3.7221	3.7411	3.7256	14.670	14.642	14.668	88.718	88.943	89.015
Feb.	18.165	18.157	18.127	3.7272	3.7429	3.7289	14.700	14.640	14.636	88.950	88.841	89.041
March	18.183	18.170	18.110	3.7266	3.7446	3.7248	14.700	14.652	14.609	89.114	88.856	88.891
I (Average)	**18.164**	**18.156**	**18.125**	**3.7253**	**3.7429**	**3.7264**	**14.690**	**14.645**	**14.638**	**88.927**	**88.880**	**88.982**
April	18.186	18.175	18.096	3.7256	3.7453	3.7215	14.700	14.656	14.606	89.139	88.817	88.845
May	18.194	18.155	18.114	3.7276	3.7432	3.7284	14.700	14.652	14.645	89.218	88.979	88.979
June	18.188	18.117	18.099	3.7275	3.7372	3.7262	14.686	14.644	14.642	89.133	89.132	88.878
II (Average)	**18.189**	**18.149**	**18.103**	**3.7269**	**3.7419**	**3.7254**	**14.695**	**14.651**	**14.631**	**89.163**	**88.976**	**88.902**
July	18.163	18.102	18.101	3.7340	3.7322	3.7214	14.677	14.638	14.662	89.160	88.949	88.833
Aug.	18.136	18.104	18.116	3.7368	3.7338	3.7206	14.653	14.651	14.656	89.103	88.947	88.881
Sept.	18.132	18.103	18.097	3.7380	3.7346	3.7232	14.638	14.643	14.643	89.112	88.940	88.721
III (Average)	**18.144**	**18.103**	**18.105**	**3.7363**	**3.7335**	**3.7217**	**14.656**	**14.644**	**14.654**	**89.125**	**88.945**	**88.81**
Oct.	18.142	18.144	18.099	3.7407	3.7267	3.7259	14.650	14.670	14.639	89.126	88.994	88.704
Nov.	18.147	18.151	18.104	3.7425	3.7216	3.7290	14.651	14.691	14.663	89.179	89.066	88.866
Dec.	18.134	18.105	18.105	3.7372	3.7095	3.7291	14.642	14.637	14.673	89.115	88.848	88.91
IV (Average)	**18.141**	**18.133**	**18.103**	**3.7401**	**3.7193**	**3.7280**	**14.648**	**14.666**	**14.658**	**89.140**	**88.969**	**88.82**
Par	18.1595			3.7315			14.6196			88.8889		

Sweden's Economic Position.

Commercial Banks, Stock Exchange.

	Commercial banks									Total Clearing (million kr.)			Quotations of 12 typical Swedish Industrial Shares In %			Shares sold on the Stockholm Stock Exchange (1000 kr.)		
	Deposits (million kr.)			Loans incl. bills rediscounted (million kr.)			Bills Rediscounted (million kr.)											
	1928	1929	1930	1928	1929	1930	1928	1929	1930	1928	1929	1930	1928	1929	1930	1928	1929	1930
Jan.	3542	3530	3600	4207	4285	4431	111	165	156	1955	2108	2283	143	169	166	2421	2261	1894
Feb.	3505	3526	3621	4231	4304	4478	125	167	154	1642	1584	1828	152	167	171	1811	1521	2395
March	3518	3540	3656	4303	4360	4509	192	230	157	1859	1848	2136	148	168	166	1263	1688	2227
I (Average)	**3542**	**3532**	**3626**	**4247**	**4316**	**4473**	**143**	**187**	**156**	**1819**	**1847**	**2082**	**148**	**168**	**168**	**1832**	**1823**	**2172**
April	3509	3524	3692	4334	4332	4447	243	209	91	1639	2014	2270	154	166	167	2198	1106	3316
May	3492	3469	3661	4339	4347	4432	255	231	56	1799	1928	2042	158	167	158	2704	1365	1679
June	3487	3462	3648	4355	4392	4479	252	262	71	1834	1826	2188	150	165	151	1289	932	1885
II (Average)	**3496**	**3485**	**3667**	**4343**	**4357**	**4453**	**250**	**234**	**73**	**1757**	**1923**	**2167**	**154**	**166**	**159**	**2064**	**1134**	**2293**
July	3567	3530	3722	4329	4370	4451	187	191	14	1924	2235	2297	142	170	151	631	1401	859
Aug.	3547	3530	3709	4343	4399	4524	215	202	36	1741	1837	2062	159	178	146	1492	1391	1454
Sept.	3562	3563	3737	4378	4420	4536	231	212	25	1763	2012	2118	165	177	140	2284	1290	1351
III (Average)	**3559**	**3541**	**3723**	**4350**	**4396**	**4504**	**211**	**202**	**25**	**1809**	**2028**	**2159**	**155**	**175**	**146**	**1469**	**1360**	**1221**
Oct.	3574	3561	3708	4320	4434	4532	165	176	17	2186	2260	2335	167	175	136	1612	2706	1412
Nov.	3511	3521	3660	4294	4424	4524	138	167	36	1971	2151	2069	164	170	131	1043	2731	1297
Dec.	3431	3481		4335	4420		276	251		2186	2359	2301	165	166	134	1793	1276	2041
IV (Average)	**3505**	**3521**		**4317**	**4426**		**193**	**198**		**2114**	**2257**	**2235**	**165**	**170**	**132**	**1483**	**2238**	**1583**
Notes	The figures refer to end of month									Total amounts passed through the Riksbank Clearing House (Stockholm and Gothenburg)			Prices at middle of month			Averages per Stock Exchange business day		

Rates of Interest and Price Level.

	Rediscount Rate of the Riksbank (%)			Effective Yield of Bonds (%)						Wholesale Price Index (Board of Trade) (1913 = 100)						Cost of Living Index (July 1914 = 100)		
				Govt. Loans			Industrial Loans			All Goods			Raw Materials					
	1928	1929	1930	1928	1929	1930	1928	1929	1930	1928	1929	1930	1928	1929	1930	1928	1929	1930
Jan.	3	4·5	4·5	4·48	4·64	4·39	5·00	5·05	4·98	148	144	131	143	139	125	171	170	167
Feb.	3	4·5	4·5	4·56	4·63	4·30	5·08	5·06	4·98	147	145	128	142	143	122	.	.	.
March	3	4·5	4·10	4·58	4·64	4·26	5·09	5·07	4·98	149	144	125	145	141	118	.	.	.
I (Average)	**3·00**	**4·50**	**4·37**	**4·54**	**4·64**	**4·32**	**5·06**	**5·06**	**4·98**	**148**	**144**	**128**	**143**	**141**	**122**			
April	3	4·5	3·53	4·59	4·64	4·27	5·09	5·07	4·97	152	141	124	148	136	118	171	171	165
May	3·5	4·5	3·5	4·65	4·55	4·34	5·10	5·07	4·96	152	140	123	149	134	117	.	.	.
June	3·5	4·5	3·5	4·16	4·56	4·34	5·14	5·07	4·93	151	139	123	146	134	116	.	.	.
II (Average)	**3·33**	**4·50**	**3·51**	**4·47**	**4·58**	**4·32**	**5·11**	**5·07**	**4·95**	**152**	**140**	**123**	**148**	**135**	**117**			
July	3·5	4·5	3·5	4·65	4·55	4·36	5·10	5·06	4·97	150	140	121	147	136	115	173	169	164
Aug.	3·73	4·5	3·5	4·63	4·53	4·32	5·08	5·06	4·96	149	141	121	147	136	114	.	.	.
Sept.	4·5	4·63	3·5	4·65	4·53	4·28	5·06	5·05	4·94	146	140	119	139	132	114	.	.	.
III (Average)	**3·91**	**4·54**	**3·50**	**4·64**	**4·54**	**4·32**	**5·08**	**5·06**	**4·96**	**148**	**140**	**120**	**144**	**135**	**114**			
Oct.	4·5	5·5	3·5	4·61	4·58	4·17	5·09	5·06	4·92	145	138	118	139	131	114	172	170	163
Nov.	4·5	5·5	3·5	4·61	4·51	4·20	5·03	5·04	4·93	145	135	117	140	131	114	.	.	.
Dec.	4·5	5·20	3·5	4·63	4·49	4·25	5·03	5·03	4·92	145	134	117	141	130	114	.	.	.
IV (Average)	**4·50**	**5·40**	**3·50**	**4·62**	**4·53**	**4·21**	**5·05**	**5·04**	**4·92**	**145**	**136**	**117**	**140**	**131**	**114**			
Notes	Monthly averages			Calculated on market prices at middle of months						Calculated on prices ruling at middle of months						Refers to end of quarters		

Trade and Industry.

	Foreign Trade (million kr.)									Export of Forest Products								
	Import			Export			Excess of Imports (−) or Exports (+)			Sawn and Planed Wood Goods 1000 stds			Paper Pulp 1000 tons			Paper and Pasteboard 1000 tons		
	1928	1929	1930	1928	1929	1930	1928	1929	1930	1928	1929	1930	1928	1929	1930	1928	1929	1930
Jan.	122	123	137	[1]84	110	112	−38	−13	−25	9	44	31	[1]29.5	94.4	110.7	29.2	35.5	40.6
Feb.	127	[2]88	127	[1]82	[2]78	100	−45	−10	−27	[1]10	[2]13	17	[1]8.9	[2]35.7	36.7	28.1	[2]28.0	39.3
March	141	[2]90	131	[1]92	[2]96	109	−49	+ 6	−22	[1]11	[2]10	16	[1]12.3	[2]47.7	47.4	[1]17.3	[2]36.8	37.6
I (Average)	**130**	**[2]100**	**132**	**[1]86**	**[2]95**	**107**	**−44**	**− 6**	**−25**	**[1]10**	**[2]22**	**21**	**[1]16.9**	**[2]59.3**	**64.9**	**[1]24.9**	**[2]33.4**	**39.2**
April	136	207	149	[1]88	150	120	−48	−57	−29	20	34	27	35.7	138.5	121.8	14.8	45.8	39.6
May	163	169	154	[1]135	163	160	−18	− 6	+ 6	82	83	124	138.7	202.2	156.2	33.6	42.9	29.6
June	143	146	124	[1]146	169	134	+ 3	+23	+10	137	138	126	140.8	175.8	122.9	33.0	34.9	26.2
II (Average)	**147**	**174**	**142**	**[1]123**	**161**	**138**	**−21**	**−13**	**− 4**	**80**	**85**	**92**	**105.0**	**172.2**	**133.6**	**27.1**	**41.2**	**31.8**
July	127	139	141	[1]139	169	138	+12	+30	− 3	122	129	116	123.9	156.0	145.4	37.4	41.1	32.5
Aug.	151	143	130	[1]144	178	143	− 2	+35	+13	116	143	106	142.9	167.1	140.6	39.8	37.3	39.5
Sept.	152	172	146	159	180	134	+ 7	+ 8	−12	106	137	86	156.1	171.1	159.4	40.8	40.2	39.1
III (Average)	**143**	**151**	**139**	**147**	**176**	**138**	**+ 6**	**+24**	**− 1**	**115**	**136**	**103**	**141.0**	**164.7**	**148.5**	**39.3**	**39.5**	**37.0**
Oct.	158	177	151	167	186	136	+ 9	+ 9	−15	125	117	100	137.5	185.5	142.5	38.3	43.9	37.0
Nov.	166	168	134	166	175	131	0	+ 7	− 3	128	117	88	187.5	201.8	188.8	41.7	38.1	37.6
Dec.	131	161		168	159		+37	− 2		103	85		211.9	210.9		38.0	43.1	
IV (Average)	**152**	**169**		**167**	**173**		**+15**	**+ 5**		**119**	**106**		**179.0**	**199.4**		**39.3**	**41.7**	
Notes	The figures for 1928 and 1929 have been adjusted according to the annual statistics									Petersburg standard = 4.67 m³			Estimated air-dry weight					

	Export of Iron Ore 1000 tons			Export of Workshop Products million kr.			Index of Production (1923—24 = 100)			Supply of Labour in Industry Index number			Wagon-axle Kilometres of loaded Trucks on State Railways			Unemployment in Trade Unions (%)		
	1928	1929	1930	1928	1929	1930	1928	1929	1930	1928	1929	1930	1928	1929	1930	1928	1929	1930
Jan.	[1]486	464	708	8.89	7.98	8.89	[1]83	148	151	·	·	·	27.3	31.1	31.6	14.3	14.8	13.9
Feb.	[1]338	438	646	10.19	[2]5.66	9.50	[1]70	134	144	·	·	·	30.1	[2]33.7	35.0	13.3	14.6	13.2
March	[1]345	449	674	12.54	[2]9.52	11.83	[1]75	135	149	·	·	·	36.0	[2]45.3	40.6	13.2	13.7	12.3
I (Average)	**[1]390**	**450**	**676**	**10.54**	**[2]7.72**	**10.07**	**[1]76**	**139**	**148**	**3.22**	**3.25**	**3.26**	**31.1**	**[2]30.7**	**35.7**	**13.6**	**14.4**	**13.1**
April	[1]152	891	723	9.35	12.16	11.36	[1]105	146	149	·	·	·	30.2	37.7	36.0	11.7	11.4	10.8
May	[1]78	1007	927	12.03	9.54	13.24	[1]117	130	140	·	·	·	29.3	33.1	35.5	8.2	7.7	8.0
June	[1]133	904	803	11.27	11.83	9.00	[1]122	129	123	·	·	·	31.2	32.1	30.7	7.6	6.8	8.0
II (Average)	**[1]121**	**934**	**818**	**10.88**	**11.18**	**11.20**	**[1]115**	**135**	**137**	**3.40**	**3.47**	**3.22**	**30.2**	**34.3**	**34.1**	**9.2**	**8.6**	**8.9**
July	[1]267	1128	773	10.01	10.09	9.77	[1]105	129	130	·	·	·	31.3	34.2	35.7	7.4	6.3	7.7
Aug.	[1]303	1036	675	11.81	10.30	8.74	[1]112	133	120	·	·	·	34.9	37.5	36.3	6.9	6.1	8.3
Sept.	475	902	632	9.52	10.41	9.02	119	131	127	·	·	·	35.2	38.0	36.9	7.8	6.7	9.3
III (Average)	**[1]348**	**1022**	**693**	**10.45**	**10.27**	**9.18**	**[1]112**	**131**	**126**	**3.33**	**3.51**	**2.94**	**33.8**	**36.6**	**36.3**	**7.4**	**6.4**	**8.4**
Oct.	707	803	511	12.45	10.56	9.65	125	134	126	·	·	·	35.2	38.0	35.1	9.0	8.2	12.2
Nov.	516	756	410	12.17	10.89	9.43	133	137	121	·	·	·	32.9	34.7		10.9	10.1	
Dec.	465	768	470	11.14	9.74		128	130		·	·	·	29.6	30.2		17.3	16.3	
IV (Average)	**503**	**776**	**464**	**11.92**	**10.40**		**129**	**134**		**3.28**	**3.43**		**32.6**	**34.3**		**12.4**	**11.5**	
Notes	Shipments of the Grängesberg Co.			Motors, electr. machinery, ball bearings, separators, telephones, etc.			According to »Svensk Finanstidning»			The figure 3 denotes normal supply of labour			Million kilom. per month			% of total membe at end of month		

[1] Labour conflict. — [2] Navigation greatly hampered owing to ice.

Stockholm 1931. P. A. Norstedt & Söner 303846

SKANDINAVISKA KREDITAKTIEBOLAGET
STOCKHOLM.

Quotations of Swedish Bonds. — *Kursnotierungen für schwedische Obligationen.*

In percentage; ex interest. — *In %, exclusive Zinsen.*

January 1931
Januar 1931

D = Drawings *Auslosung* P = Purchase *Rückkauf*
R = Perpetual Loan *Staatsrente*

Quoted on the Stock Exchange	Terms of Redemption *Tilgungsmodalitäten*	Redeemable in Whole *Konvertibel*	Interest Dates *Zinstermine* *	Prices (bid) *Notierungen (Geld)* 1930 31/X	28/XI	31/XII	1931 13/I	*An der Börse eingeführt*
Swedish Government 3 % 1888	R	1888	1/2—1/8	76 1/2	76 1/2	76	76	*Schwedischer Staat* 3 % 1888
» » 3 » 1894	Before *Vor* 31/12 1950 D P		15/4—15/10	83 1/4	84	84 1/4	84	» » 3 » 1894
» » 3 1/2 » 1886	1887—1961 D	1906	1/6—1/12	92	92	92	92 1/4	» » 3 1/2 » 1886
» » 3 1/2 » 1890	1891—1940 D P	1900	1/3—1/9	97	97	97	97	» » 3 1/2 » 1890
» » 3 1/2 » 1899	1903—1953 D P	1906	15/5—15/11	—	94 1/2	94	94	» » 3 1/2 » 1899
» » 3 1/2 » 1900	R	1920	15/2—15/8	86	87	85 1/2	87	» » 3 1/2 » 1900
» » 3 1/2 » 1904/06/07	R	1914/16/20	1/2—1/8	85 1/4	85 1/4	85 1/4	86	» » 3 1/2 » 1904/06/07
» » 3 1/2 » 1908	R	1920	20/6—20/12	—	85 1/4	85 1/4	86	» » 3 1/2 » 1908
» » 3 1/2 » 1911	R	1926	1/3—1/9	85	85 1/4	85	86	» » 3 1/2 » 1911
» » 3,6 » 1887	R	1888	30/6—30/12	86 3/4	86 1/4	86 3/4	87	» » 3,6 » 1887
» » 4 1/2 » 1913	R	1921	1/4—1/10	101 1/4	101 1/4	101 1/4	101 1/4	» » 4 1/2 » 1913
» » 4 1/2 » 1927	R	15/6 1937	15/6—15/12	102 3/4	102 1/2	102 1/4	102 1/2	» » 4 1/2 » 1927
» » 4 1/2 » 1929	R	15/12 1939	15/6—15/12	102	102 1/2	102 3/4	103 1/4	» » 4 1/2 » 1929
» » 4 1/2 » 1930	R	15/9 1940	15/3—15/9	102 1/2	102 1/4	103 1/4	103 1/2	» » 4 1/2 » 1930
» » 5 » 1923	R	15/9 1933	15 3—15/9	104 3/4	105 1/2	104	104 1/4	» » 5 » 1923
» » 5 1/2 » $-loan 1924	Maturity *Rückzahlung* 1/11 1954	1/11 1934	1/5—1/11	105 1/2	105	104 1/2	104 3/4	» » 5 1/2 » 1924 $-*Anleihe*
» » 6 » 1921	R	15/5 1931	15/5—15/11	100 3/4	100 3/4	100 3/4	101	» » 6 » 1921
Sveriges Allm. Hypoteksbank 3 1/2 » 1886	1888—1962 D	1901	1/5—1/11	—	—	91 3/4	92 1/4	Sveriges Allm. Hypoteksbank 3 1/2 » 1886
(Royal Swedish Mortgage Bank) 3 1/2 » 1889	1890—1959 D	1898	15/3—15/9	—	91	91 1/2	—	(*Schwed. Reichs-Hypothekenbank*) 3 1/2 » 1889
» » 3 3/4 » 1880	1882—1956 D	1907	15/1—15/7	—	94	94 1/2	94 1/2	3 3/4 » 1880
» » 3 3/4 » 1883	1885—1959 D	1907	30/3—30/9	—	—	94	—	» » 3 3/4 » 1883
» » 4 » 1878 "par"	1884—1959 D P		30/6—31/12	—	96 1/2	96	96 3/4	» » 4 » 1878 »*pari*«
» » 4 » 1878 "agio"	1884—1959 D at 103 1/2 % *zu 103 1/2 %* P		30/6—31/12	—	—	97	97	» » 4 » 1878 »*agio*«
» » 4 » 1879	1880—1/81939 D Twice a year. *Zweimal jährlich.*		1/2—1/8	—	—	98 1/2	99	» » 4 » 1879
» » 4 » 1880	1882—1956 D	1907	15/1—15/7	98 1/4	98	98	98	» » 4 » 1880
» » 4 » 1883	1885—1959 D	1907	30/3—30/9	—	98	98 1/4	—	» » 4 » 1883
» » 4 » 1908	1909—1968 D P	1918	1/3—1/9	98 1/2	98	97 3/4	99	» » 4 » 1908
» » 4 1/2 » 1927	1947—2007 D P	1/6 1937	1/6—1/12	102 1/2	101 3/4	102	103	» » 4 1/2 » 1927
» » 5 » 1924	1944—2004 D P	1/6 1934	1/6—1/12	—	—	102	—	» » 5 » 1924
» » 5 » 1926	1946—2005 D P	15/6 1936	15/6—15/12	104 3/4	104	104 1/4	104 3/4	» » 5 » 1926
Kon. Sveriges Stadshypotekskassa 3 1/2 » 1910	Before *Vor* 31/12 1980 D P	1920	15/5—15/11	85	85 3/4	85 1/4	86	Kon. Sveriges Stadshypotekskassa 3 1/2 » 1910
(Swedish Cities' Mortgage Bank) 4 1/2 » 1927	1937—1986 D P	1/3 1937	1/3—1/9	100 1/2	100 1/4	100	100 1/4	(*Stadthypothekenkasse Schwedens*) 4 1/2 » 1927
5 » 1922	1932—1981 D P	1/1 1932	1/4—1/10	102	101 3/4	101 1/4	101 1/4	5 » 1922
» » 5 » 1928	1938—1987 D P	1/5 1938	1/5—1/11	105 1/2	105 1/4	104 1/2	104 1/2	» » 5 » 1928
» » 4 » 1902 [1]	1906—1958 D	1912	15/1—15/7	—	—	97	97	» » 4 » 1902 [1]
Svenska Bostadskreditkassan (No. 1) [2] 5 » 1930	1940—1970 D P	15/7 1940	15/1—15/7	104	103 1/2	103 1/4	103 1/2	Svenska Bostadskreditkassan (No. 1) [2] 5 » 1930
Svenska Skeppshypotekskassan (No. 1) [3] 5 » 1930	Maturity *Rückzahlung* 1/3 1950	1/3 1940	1/3—1/9	104 1/2	104	103 1/2	103 1/2	Svenska Skeppshypotekskassan (No. 1) [3] 5 » 1930
Sthlms Int. Gar. A.-B. (The Mortgage Bank of Stockholm Ltd) 4 » 1904	1905—1979 D	1913	2/1—1/7	96	96 1/2	96	97 1/4	Sthlms Int. Gar. A.-B. (*Stockholmer Hypotheken-Garantie A. G.*) 4 » 1904
» » 4 1/2 » 1928	1938—1987 D P	1/2 1938	1/2—1/8	—	—	100	100 1/4	» » 4 1/2 » 1928
Sv. Obligationskredit A.-B. [4] Ser. I 6 1/2 » 1923	1924—1/6 1943 D P	1/6 1933	1/6—1/12	103 1/2	—	102 1/4	102 1/2	Sv. Obligationskredit A.-B. [4] Ser. I 6 1/2 » 1923
» » » II 6 » 1923	1924—1963 D P	1/10 »	1/4—1/10	—	101 1/2	101	101	» » » II 6 » 1923
» » » III 6 1/2 » 1924	1926—1944 D P	1/2 1934	1/2—1/8	102 3/4	—	102 1/2	102 1/2	» » » III 6 1/2 » 1924
» » » IV 6 1/2 » 1924	1925—1949 D P	15/10 »	15/4—15/10	103 3/4	103	104	103 3/4	» » » IV 6 1/2 » 1924
» » » V 6 » 1930	1932—1957 D P	1935	2/1—1/7	—	—	103 1/4	103 1/4	» » » V 6 » 1930
City of Stockholm 3 1/2 » 1887	1888—1948 D	1900	15/3—15/9	94	95	95 1/4	95	*Stadt Stockholm* 3 1/2 » 1887
» » 3 1/2 » 1905	1906—1949 D P	1915	15/3—15/9	93 1/2	94 1/4	94 1/4	94 1/2	» » 3 1/2 » 1905
» » 3 1/2 » 1909	1910—1949 D P	1919	15/6—15/12	93 1/2	94 1/4	94 1/2	95	» » 3 1/2 » 1909
» » 4 » 1880	1881—1936 D		15/6—15/12	99	—	99 1/2	99 3/4	» » 4 » 1880
» » 4 » 1885	1886—1941 D	1900	15/6—15/12	98 1/2	98 3/4	99	99 1/4	» » 4 » 1885
» » 4 » 1900	1901—1941 D P	1910	15/2—15/8	—	98 1/2	98 1/2	99	» » 4 » 1900
» » 4 » 1908	1909—1948 D P	1918	15/2—15/8	—	—	98	98	» » 4 » 1908
» » 4 1/2 » 1913	1914—1952 D P	1923	15/6—15/12	—	—	101 1/4	102	» » 4 1/2 » 1913
» » 5 » 1925	1926—1965 D P	15/3 1935	15/3—15/9	—	102 1/2	102	—	» » 5 » 1925
City of Gothenburg 4 » 1906	1907—1946 D P	1916	15/4—15/10	—	—	98 1/2	—	*Stadt Gotenburg* 4 » 1906
» » 4 » 1909	1910—1949 D P	1919	30/4—31/10	—	—	98 1/2	—	» » 4 » 1909
» » 4 1/2 » 1914	1915—1954 D P	1924	1/2—1/8	—	—	99 3/4	100	» » 4 1/2 » 1914
City of Malmö 4 » 1905	1906—1945 D	1915	1/4—1/10	—	—	97	97 1/2	*Stadt Malmö* 4 » 1905
» » 4 1/2 » 1910	1911—1950 D	1920	1/3—1/9	—	—	99 3/4	99 3/4	» » 4 1/2 » 1910
A.-B. Kreuger & Toll (Holding Company) 5 » 1929 $-Loan [5]	1929—1959 D P Twice a year at 105. *Zweimal jährlich zu 105.*	6	1/3—1/9	95 3/4	92	92 1/4	91 3/4	A.-B. Kreuger & Toll (Holdinggesellschaft) 5 » 1929 $-*Anleihe* [5]
Bergslagernas Järnvägs A.-B. (Railway) 4 » 1898 conv.	1912—1961 D at 110 % *zu 110 %*		15/1—15/7	—	97 1/2	97 1/2	97 1/2	Bergslagernas Järnvägs A.-B. (*Eisenbahn*) 4 » 1898 *konv.*
Trafik A.-B. Grängesberg—Oxelösund (Iron Ore) 5 » 1922	1927—1944 D	1/10 1932	1/4—1/10	—	101	100 1/2	100 1/2	Trafik A.-B. Grängesberg—Oxelösund (*Eisenerz*) 5 » 1922
Luossavaara—Kiirunavaara A.-B. (Iron Ore) [7] 5 » 1928	1938—1953 D	1/12 1938	1/6—1/12	—	102 3/4	103	102 1/2	Luossavaara—Kiirunavaara A.-B. (*Eisenerz*) [7] 5 » 1928
» » » [7] 4 1/2 » 1930	1931—1955 D	15/4 1940	15/4—15/10	100	99 1/2	99	98 3/4	» » » [7] 4 1/2 » 1930
Holmens Bruks & Fabr. A.-B. (Paper, Pulp and Cottongoods) 5 % 1926	1932—1951 D	1/10 1936	1/4—1/10	—	—	101	101	Holmens Bruks & Fabr. A.-B. (*Papier, Holzmasse u. Baumwollwaren*) 5 % 1926
Sv. Sockerfabriks A.-B. (Sugar) 7 » 1921	1922—1946 D	1/8 1931	1/2—1/8	—	100 3/4	100 1/2	100 1/2	Sv. Sockerfabriks A.-B. (*Zucker*) 7 » 1921

[1] Issued by the Allmänna Hypotekskassan för Sveriges städer. — *Emittiert von der Allmänna Hypotekskassan för Sveriges städer.*

[2] The Residential Mortgage Bank of Sweden, founded in 1929, is the central organization of a number of local credit associations having for object to grant loans to their members against mortgages on houses. It has a guaranty fund of 30 mill. Kr. in 4 1/2 % Government bonds placed at its disposal by the Government. — *Schwedische Wohnungshypotheken-Kasse, die im Jahre 1929 gegründet wurde, ist das Zentralinstitut einer Anzahl lokaler Kreditkassen, die den Zweck haben, an ihre Mitglieder Anleihen gegen Haushypotheken zu bewilligen. Die Bank hat einen Garantiefonds von 30 Mill. Kr. in 4 1/2 % Schwed. Staatsobligationen, die vom Staate zu ihrer Verfügung gestellt wurden.*

[3] The Swedish Ship Mortgage Bank, founded in 1929, has for object to grant loans against mortgages on Swedish ships. As a guaranty fund for the Bank the Government has placed at its disposal Swedish Government bonds for 10 mill. Kr. — *Der Zweck der Schwedischen Schiffshypotheken-Kasse, die im Jahre 1929 gegründet wurde, ist gegen Sicherheit von Hypotheken auf schwedische Schiffe Anleihen zu gewähren. Als Grundfonds für die Kasse stellt der Staat schwedische Staatsobligationen im Betrage von 10 Mill. Kr. zur Verfügung.*

[4] The Svenska Obligationskredit A.-B. is a joint stock company established by four leading Swedish banks for the purpose of negotiating credits preferably with foreign countries. Its share capital amounts to Kr. 10 000 000. The series I is secured by 6 % Austrian Govt. bonds of 1923, the series II by 6 % Finnish Govt. bonds of 1923, the series III by 7 1/2 % Hungarian Govt. bonds of 1924, the series IV by 7 % German Govt. bonds of 1924, and the Series V by 7 % Austrian Govt. bonds of 1930. — *Die Svenska Obligationskredit A.-B. ist eine von vier leitenden Banken Schwedens gegründete Aktiengesellschaft, welche die Vermittlung von Krediten vorzugsweise mit dem Ausland bezweckt. Ihr Aktienkapital beträgt Kr. 10 000 000. Die Sicherheit für Serie I besteht aus 6 % Obl. des Österreichischen Staates von 1923, für Serie II aus 6 % Obl. des Finnländischen Staates von 1923, für Serie III aus 7 1/2 % Obl. des Ungarischen Staates von 1924, für Serie IV aus 7 % Obl. des Deutschen Reichs von 1924 und für Serie V aus 7 % Obl. des Österreichischen Staates von 1930.*

[5] With option to purchase the company's Participating Debentures. — *Mit Option zum Kauf von Participating Debentures der Gesellschaft.*

[6] The borrower has the right to pay off the whole loan or part thereof at 105 % at 30 days' notice. — *Der Darlehnsnehmer ist jederzeit berechtigt die Anleihe, ganz oder teilweise, zum Kurse von 105 % zurückzuzahlen und zwar nach vorhergehender Kündigung von 30 Tagen.*

[7] Guaranteed by the Trafik A.-B. Grängesberg—Oxelösund. — *Mit Bürgschaft der Trafik A.-B. Grängesberg—Oxelösund.*

* **Amortization-dates underlined.** — ***Tilgungstermine unterstrichen.***

Quoted on the Stock Exchange	D = Drawings *Auslosung* P = Purchase *Rückkauf* R = Perpetual Loan *Staatsrente*	Redeemable in Whole *Konvertibel*	Dates *Zinstermine* *	1930 31/10	1930 28/11	1930 30/12	1931 13/1	*An der Börse eingeführt*
TELEFON A.-B. L. M. ERICSSON (Telephones) . . . . . 6 » 1927	1928—1947 D	15/10 1937	15/4—15/10	105 1/2	105 1/4	105	105	TELEFON A.-B. L. M. ERICSSON (*Fernsprecher*) . . . . . 6 » 1927
UDDEHOLMS A.-B. (Wood and Iron products) 5 » 1921 conv.	1931—1953 D	15/3 1939	15/3—15/9	—	—	101 3/4	101 3/4	UDDEHOLMS A.-B. (*Eisen- u. Holzwaren*) 5 » 1921 *konv.*
Not quoted on the Stock Exchange								***An der Börse nicht eingeführt***
City of Stockholm . . Conv. 5 % 1918	1919—1958 D P	15/10 1938	15/4—15/10	102 1/2	102 1/2	102 1/4	102 1/4	*Stadt Stockholm . . . Konv.* 5 % 1918
» » » . . » 5 » 1918	1919—1958 D P	15/3 1939	15/3—15/9	102 1/2	102 1/2	102 1/4	102 1/4	» » . . . » 5 » 1918
ALLMÄNNA SVENSKA ELEKTRISKA A.-B. (ASEA) (Electrical Machinery) . . . . . 5 » 1929	1930—1954 D	1/3 1939	1/3— 1/9	101 1/4	101 1/4	101 1/4	101 1/4	ALLMÄNNA SVENSKA ELEKTRISKA A.-B. (ASEA) (*Elektrische Maschinen*) . . . . . 5 » 1929
BERGVIK OCH ALA NYA A.-B. (Pulp and Timber) . . . . 4 1/2 » 1930	1932—1959 D	1/5 1935 [1]	1/5— 1/11	98 1/2	98 1/2	98 1/2	99	BERGVIK OCH ALA NYA A.-B. (*Holzmasse und Holz*) . . 4 1/2 » 1930
KRAMFORS A.-B. (Pulp and Timber) . . . . . 5 » 1928	1933—1952 D	15/6 1938	15/6—15/12	101 1/2	101 1/2	101 1/2	101 1/2	KRAMFORS A.-B. (*Holzmasse und Holz*) . . . . . 5 » 1928
TRAFIK A.-B. GRÄNGESBERG-OXELÖSUND (Iron Ore) . 4 1/2 » 1930	1935—1960 D	1940	15/5—15/11	—	—	98 1/2	99	TRAFIK A.-B. GRÄNGESBERG-OXELÖSUND (*Eisenerz*)
UDDEHOLMS A.-B. (Pulp, Timber and Iron . . . . . 4 1/2 » 1930	1940—1970 D	1940	1/6— 1/2	—	—	99	99 1/4	UDDEHOLMS A.-B. (*Eisen, Holzmasse und Holz*)
REDERI A.-B. TRANSATLANTIC (Shipping) . . . . . 6 1/2 » 1923	1924—1943 D	1/9 1933	1/3— 1/9	102 1/2	102 1/2	102 1/2	102	REDERI A.-B. TRANSATLANTIC (*Reederei*) . . . . . 6 1/2 » 1923
SKANDINAVISKA KREDIT A.-B., Registered Certificates . . 5 1/2 » 1925	Maturity *Rückzahlung* 15/6 1940	15/6 1935 [2]	15/6—15/12	106	106	105 3/4	105 1/2	SKANDINAVISKA KREDIT A.-B., *Schuldverschreibungen* . . . 5 1/2 » 1925

[1] The company has the right to redeem the loan in 1935 at 101.50 %, in 1936 at 101.20 %, in 1937 at 100.90 %, in 1938 at 100.60 %, in 1939 at 100.30 % and in 1940 and thereafter at 100 %. — *Die Gesellschaft ist berechtigt, die Anleihe im Jahre 1935 zu 101.50 %, 1936 zu 101.20 %, 1937 zu 100.90 %, 1938 zu 100.60 %, 1939 zu 100.30 %, 1940 und in folgenden Jahren zu 100 % einzulösen.* — [2] Redeemable in whole or in part on or after June 15th, 1935, at 103 %. — *Die Bank behält sich das Recht vor, die Schuldverschreibungen vom 15. Juni 1935 an, ganz oder teilweise, zum Kurse von 103 % einzulösen.*

* **Amortization-dates underlined.** — ***Tilgungstermine unterstrichen.***

Quotations of Swedish Shares. — *Kursnotierungen für schwedische Aktien.*

Quoted on the Stock Exchange	Share Capital *Aktienkapital*	Nom. Value *Nennwert*	Dividends *Dividende* [1] 1928	1929	1930	Prices (bid) *Notierungen (Geld)* 1930 31/10	29/11	31/12	1931 13/1	*An der Börse eingeführt*
Industrial and Miscellaneous Shares.	Mill.Kr.	Kr.	Kronor			Kronor				***Industrie- und diverse Aktien.***
A.-B. ELEKTROLUX (Vacuum Cleaners) Series A	6	100	10	9	9	100	119	118	118	A.-B. ELEKTROLUX (*Staubsauger*) *Ser. A*
» » B	54	100	10	9	9	96.50	116	116	115	» *B*
» INVESTOR (Holding Company)	36	500	—	30	30	461	474	522	500	» INVESTOR (*Holdinggesellschaft*)
» KREUGER & TOLL (Holding Company) Series A	10	100	[3] 25	25	30	445	435	408	390	» KREUGER & TOLL (*Holdinggesellschaft*) *Ser. A*
» » B	66	100	[3] 25	25	30	445	432	402	386	» *B*
Participating Debentures	[10] 139.2	100	—	25	30	456	439	413	403	*Participating Debentures*
» NORDISKA KOMPANIET (Department Store) Ord. shares	25	50	3.50	3.50	3.50	49	48.50	50.50	49	» NORDISKA KOMPANIET (*Warenhaus*) *Stamm-Aktien*
» SEPARATOR (Milk Separators) Pref.	15	100	[4] 7	[4] 7	[4] 7	106	107	103	103	» SEPARATOR (*Separatoren*) *Vorzugs-Aktien*
Ord. Series A	42	100	8	9	9	104	105	106	100	*Stamm-Aktien Ser. A*
» » B	[9] 39.7	100	—	9	9	102	104	105	100	» » *B*
» STOCKHOLMS BRYGGERIER (Brewery)	29.6	100	18	18	[12] 18	385	400	400	[2] 375	» STOCKHOLMS BRYGGERIER (*Brauerei*)
» SVENSKA KULLAGERFABRIKEN (SKF) (Ball Bearings) Series A	76	100	10	12	12	169	171	179	167	» SVENSKA KULLAGERFABRIKEN (SKF) (*Kugellager*) *Ser. A*
» » B	[10] 54	100	—	12	12	170	171	177	166	» *B*
» SVENSKA METALLVERKEN (Metal Products)	20.1	100	4	4	4.50	55.50	58.50	60.50	58	» SVENSKA METALLVERKEN (*Metallwaren*)
» SVERIGES LITOGRAFISKA TRYCKERIER (Lithographical Printers) Pref.	12	100	7	7	7	118	120	119	120	» SVERIGES LITOGRAFISKA TRYCKERIER (*Lithographische Druckereien*) *Vorzugs-Aktien*
Ord. A	16	100	9	9	9	99.50	104	107	105	*Stamm-Aktien A*
» A 1930	14	100	—	—	—	—	—	97	—	» *A 1930*
» B	4.4	100	7	7	7	100	101	105	102	» *B*
ALLMÄNNA SVENSKA ELEKTRISKA A.-B. (ASEA) (Electrical Machinery)	75	100	6	6	7	112	112	119	117	ALLMÄNNA SVENSKA ELEKTRISKA A.-B. (ASEA) (*Elektrische Maschinen*)
BERGVIK & ALA NYA A.-B. (Pulp and Timber)	28.13	180	15	15	16	—	—	250	220	BERGVIK & ALA NYA A.-B. (*Holzmasse und Holz*)
BILLERUDS A.-B. (Paper, Pulp and Timber)	28.2	100	8	8.50	10	126	127	136	134	BILLERUDS A.-B. (*Papier, Holzmasse und Holz*)
BOFORS A.-B. (War Materials)	19.8	100	3	4	5	70	88.50	85	85	BOFORS A.-B. (*Kriegsmaterial*)
FISKEBY FABRIKS A.-B. (Paper, Pulp and Timber)	15	100	5	5	5	—	79	80	79	FISKEBY FABRIKS A.-B. (*Papier, Holzmasse und Holz*)
FORD MOTOR COMPANY A.-B.	4	[6] 100	—	[6] 162	10	—	—	195	195	FORD MOTOR COMPANY A.-B.
HOLMENS BRUKS- & FABRIKS A.-B. (Pulp, Paper and Cotton Goods) Series A	21	[7] 100	[7] 50	9	8	95	92	93	91	HOLMENS BRUKS- & FABRIKS A.-B. (*Papier, Holzmasse u. Baumwollwaren*) *Ser. A*
» B	13.56	[7] 100	[7] 50	9	8	94	92	92.50	91	» *B*
HÖGANÄS-BILLESHOLMS A.-B. (Coal Mines)	30	100	3	3	5	56.50	63.50	67	62.50	HÖGANÄS-BILLESHOLMS A.-B. (*Kohlenbergwerk*)
KOPPARBERGS O. HOFORS' SÅGVERKS A.-B. (Pulp and Timber)	20	100	5	6	7	83	90	88	87	KOPPARBERGS & HOFORS' SÅGVERKS A.-B. (*Holzmasse und Holz*)
KORSNÄS' SÅGVERKS A.-B. (Paper, Pulp and Timber)	21	500	50	50	55	920	921	940	950	KORSNÄS' SÅGVERKS A.-B. (*Papier, Holzmasse u. Holz*)
LINOLEUM A.-B. FORSHAGA (Linoleum)	8	100	[3] 18	15	15	148	134	150	140	LINOLEUM A.-B. FORSHAGA (*Linoleum*)
MEXIKANSKA TELEFON A.-B. ERICSSON (Telephone Service) Series A	5.4	180	18	18	18	—	207	218	200	MEXIKANSKA TELEFON A.-B. ERICSSON (*Fernsprecherdienst*) *Ser. A*
» B	5.4	180	18	18	18	—	214	216	—	» *B*
» B 1930	10.8	180	—	—	—	195	200	198	195	» *B 1930*
SKÅNSKA CEMENT A.-B. (Cement)	10.4	1 000	120	120	120	1825	1875	1900	1900	SKÅNSKA CEMENT A.-B. (*Zement*)
STORA KOPPARBERGS BERGSLAGS A.-B. (Paper, Pulp, Timber and Iron)	60	100	6	6	7	140	143	143	140	STORA KOPPARBERGS BERGSLAGS A.-B. (*Eisen, Papier, Holzmasse und Holz*)
SVENSKA A.-B. GASACCUMULATOR (AGA) (Beacon Lighting) Pref. shares	28.6	100	3.50	4	5	68.50	72.50	77	73	SVENSKA A.-B. GASACCUMULATOR (AGA) (*AGA-Licht*) *Vorzugs-Aktien*
SVENSKA SOCKERFABRIKS A.-B. (Sugar)	135	100	4.50	3	2.50	49.50	44.50	44.50	44.50	SVENSKA SOCKERFABRIKS A.-B. (*Zucker*)
SVENSKA TÄNDSTICKS A.-B. (Matches) Series A	90	100	15	15	15	250	241	249	204	SVENSKA TÄNDSTICKS A.-B. (*Zündhölzer*) *Ser. A*
» B	180	100	[5] 15	15	15	249	240	247	203	» *B*
TELEFON A.-B. L. M. ERICSSON (Telephones) Series A	40.33	50	3	3.50	4	63.50	67	68	66	TELEFON A.-B. L. M. ERICSSON (*Fernsprecher*) *Ser. A*
» B	[11] 20.17	50	—	—	4	62	67	67	63.50	» *B*
TRAFIK A.-B. GRÄNGESBERG—OXELÖSUND (Iron Ore)	119	100	17	5	17	247	236	244	229	TRAFIK A.-B. GRÄNGESBERG—OXELÖSUND (*Eisenerz*)
UDDEHOLMS A.-B. (Pulp, Timber and Iron)	56	[8] 100	[8] 21	7	7	109	113	114	104	UDDEHOLMS A.-B. (*Eisen, Holzmasse und Holz*)
WIFSTAVARFS A.-B. (Pulp and Timber)	14.5	100	11	11	12	167	167	176	175	WIFSTAVARFS A.-B. (*Holzmasse und Holz*)
Railway and Shipping Shares.										***Eisenbahn- und Reederei-Aktien.***
A.-B. SVENSKA AMERIKA LINIEN (Shipping)	24	100	6	6	6	78	71.50	77	78	A.-B. SVENSKA AMERIKA LINIEN (*Reederei*)
BERGSLAGERNAS JÄRNVÄGS A.-B. (Railway)	25.15	200	12	12	12	—	192	180	185	BERGSLAGERNAS JÄRNVÄGS A.-B. (*Eisenbahn*)
STOCKHOLMS REDERI A.-B. SVEA (Shipping)	29.4	50	2.25	2.25	2.50	28.50	28.50	31.50	30	STOCKHOLMS REDERI A.-B. SVEA (*Reederei*)
Bank Shares.										***Bank-Aktien.***
A.-B. GÖTEBORGS BANK	*78.75	250	25	25	25	447	444	468	468	A.-B. GÖTEBORGS BANK
» SVENSKA HANDELSBANKEN	*135	100	10	10	12	210	218	222	221	» SVENSKA HANDELSBANKEN
SKANDINAVISKA KREDIT A.-B.	*182	142	15	15	18	346	344	336	347	SKANDINAVISKA KREDIT A.-B.
STOCKHOLMS ENSKILDA BANK	*100	1 000	[3] 130	140	150	3440	3350	3475	3500	STOCKHOLMS ENSKILDA BANK
STOCKHOLMS INTECKNINGS GARANTI A.-B.	* 33	300	45	45	45	980	945	975	970	STOCKHOLMS INTECKNINGS GARANTI A.-B.

[1] Refer to dividends paid for the preceding financial year. — *Bezieht sich auf Dividenden, die für das vorgehende Geschäftsjahr bezahlt worden sind.* — [2] Ex dividend. — *Abzügl. Dividende.* — [3] Excl. of bonus shares. — *Ausser Gratisaktien.* — [4] The dividend is paid with Kr. 3.50 on June 30th and December 31st, respectively. — *Die Dividende ist am 30. Juni und 31. Dezember bezahlt worden, u. z. jedesmal mit Kr. 3.50.* — [5] The shares issued in 1927 were not entitled to any dividend for that year, but interest was paid on January 5th, 1928, at the rate of Kr. 13.80 per share. — *Die im Jahre 1927 emittierten Aktien waren gewinnberechtigt erst ab 1928; Zinsen sind aber am 5. Januar 1928 mit Kr. 13.80 per Aktie bezahlt worden.* — [6] Nominal value split up. The dividend paid in 1929 is reckoned on the old value of Kr. 1000. — *Nominalwert geteilt worden. Die im Jahre 1929 bezahlte Dividende ist auf den alten Nennwert von Kr. 1000 gerechnet worden.* — [7] Nominal value split up. The dividend paid in 1928 is reckoned on the old value of Kr. 500. — *Nominalwert geteilt worden. Die im Jahre 1928 bezahlte Dividende ist auf den alten Nennwert von Kr. 500 gerechnet worden.* — [8] Nominal value split up. The dividend paid in 1928 is reckoned on the old value of Kr. 300. — *Nominalwert geteilt worden. Die im Jahre 1928 bezahlte Dividende ist auf den alten Nennwert von Kr. 300 gerechnet.* — [9] Issued in 1928. — *Emittiert im Jahre 1928.* — [10] First issue in 1928. — *Erste Emission in 1928.* — [11] Issued in 1929. — *Emittiert im Jahre 1929.* — [12] Plus bonus 2 kr. — *Zuzüglich bonus 2 kr.*

* **Paid-up capital and reserves.** — ***Grundkapital und Reserven.***

Kungl. Boktr. Stbkm 1931
303663

SKANDINAVISKA KREDITAKTIEBOLAGET

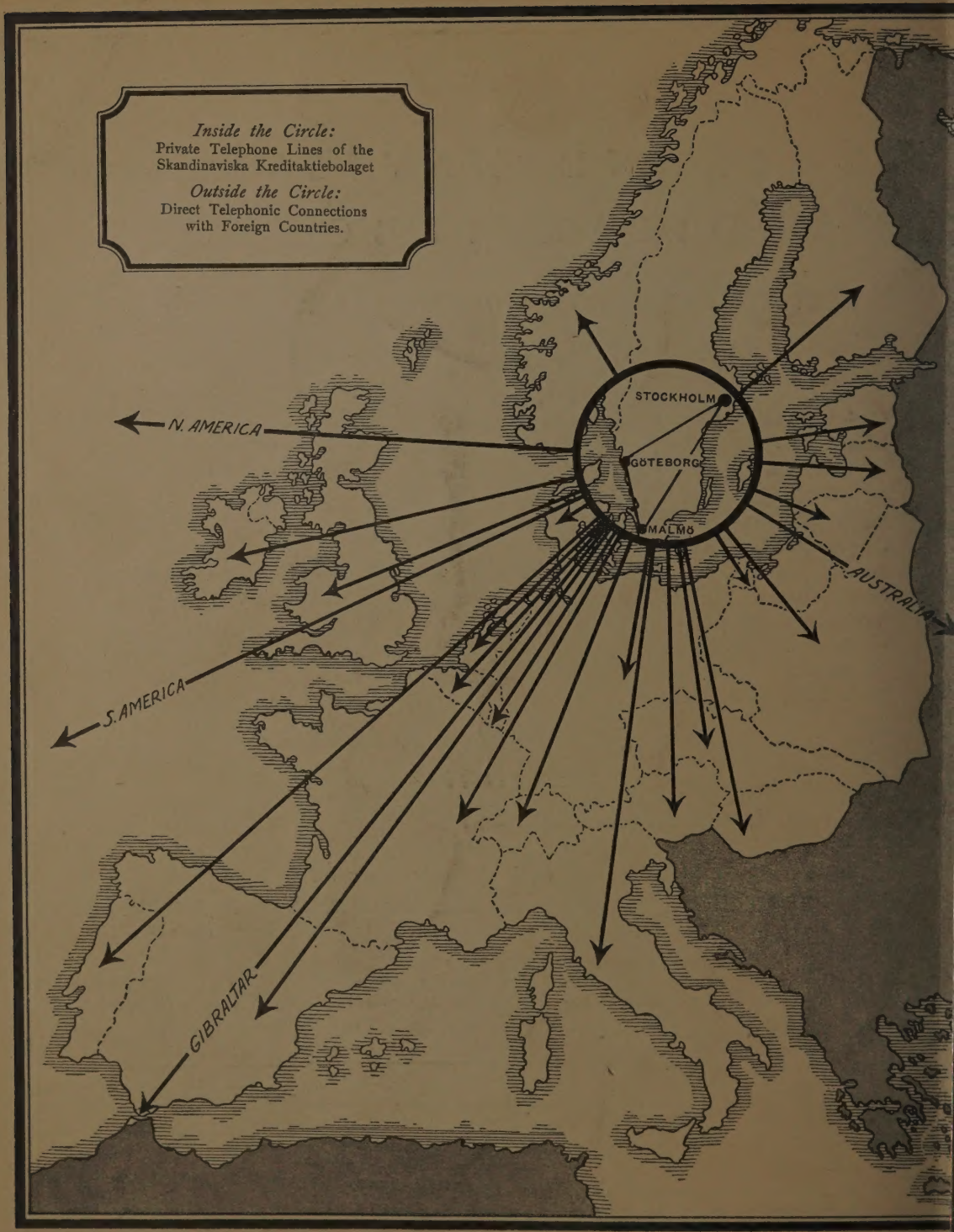
STATEMENT OF CONDITION DECEMBER, 31st, 1930

Assets

Cash in hand		Kr. 28.528.463: 08
Bills:		
Swedish	Kr. 183.374.530: 24	
Foreign	» 30.851.990: 60	» 214.226.520: 84
Loans (secured)		» 465.126.966: 83
Current Accounts (secured)		» 192.226.031: 03
Swedish Banks		» 1.908.984: 87
Foreign Banks		» 31.350.527: 89
Sundry Accounts		» 84.073.732: 95
Bonds		» 53.524.373: 04
Shares		» 7.960.758: 23
Bank Buildings & Furniture		» 16.256.922: —
		Kr. 1.095.183.280: 76

Liabilities

Bills at sight in circulation (»postremiss» bills)		Kr. 18.621.593: 41
Deposits:		
at sight	Kr. 120.269.978: 77	
at notice	» 472.971.120: 27	» 593.241.099: 04
Swedish Banks		» 53.080.427: 37
Foreign Banks		» 72.535.136: 92
Sundry Accounts		» 75.705.024: 02
5½ % Registered Certificates of the Bank (»Förlagsbevis»)		» 100.000.000: —
Share Capital	Kr. 87.188.000: —	
Reserve Fund	» 94.812.000: —	» 182.000.000: —
		Kr. 1.095.183.280: 76


Inside the Circle:
Private Telephone Lines of the
Skandinaviska Kreditaktiebolaget
Outside the Circle:
Direct Telephonic Connections
with Foreign Countries.
STOCKHOLM
GÖTEBORG
MALMÖ
N. AMERICA
S. AMERICA
GIBRALTAR
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